



County Administrative Office
Governmental & Legislative Affairs

Josh Candelaria
Director

February 13, 2017

The Honorable Edmund G. Brown Jr.
Governor of California
State Capitol
Sacramento, CA 95814

RE: Dismantling the CCI, the County IHSS MOE, and Shifting IHSS Collective Bargaining to Counties – OPPOSE

Dear Governor Brown:

The County of San Bernardino is writing to respectfully express our opposition to the discontinuance of the Coordinated Care Initiative (CCI) and undoing of the In-Home Supportive Services (IHSS) Maintenance of Effort (MOE). The termination of the CCI and elimination of the IHSS MOE will result in a cost shift of over \$626 million from the State to counties. These costs reflect the overall growth in IHSS spending since 2011-12 (the base year for the MOE) and include, raising statewide minimum wage, implementation of Fair Labor Standards Act (FLSA) overtime regulations and paid sick leave for IHSS providers.

This cascade of events will have a significant fiscal impact on San Bernardino County. In Fiscal Year (FY) 2017-18 alone, costs to the County will increase by approximately \$25 million. With projected annual caseload growth of six percent, increasing state minimum wage, and implementation of new state and federal policies, County costs could potentially increase to \$160 million by FY 2021-22. Additionally, this shift in costs will impact 1991 Social Services Realignment funds leaving other crucial programs with fewer funds. This will have a substantial impact on vital services provided by the County including health, child welfare, and social services programs.

In 2012, the development of the CCI and the IHSS MOE was a collaborative endeavor in which the Administration, the California State Association of Counties, the County and other stakeholders worked together to craft a fiscally prudent agreement to provide services for some of the State's most vulnerable residents. Proposed changes to the CCI and IHSS MOE should be done in the same spirit of collaboration rather than imposing an immediate transfer of State responsibility to counties without the adequate time to plan or budget for this sudden shift in policy.

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At a time when the State and its counties face great fiscal uncertainties arising from the potential repeal and replacement of the Federal Affordable Care Act, we seek your support in working collaboratively with counties and other stakeholders toward achievable solutions that mitigate any negative impact to counties and our most vulnerable residents.

If you have any questions regarding the County's position, please do not hesitate to contact Josh Candelaria, Director of Governmental and Legislative Affairs at (909) 387-4821 or jcandelaria@sbcounty.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert A. Lovingood", enclosed within a thin black rectangular border.

ROBERT A. LOVINGOOD
First District Supervisor
Chairman, San Bernardino County Board of Supervisors

c: Honorable Kevin de Leon, Senate Pro Tempore, California State Senate
Honorable Anthony Rendon, Speaker, California State Assembly
Honorable Jean Fuller, Senate Republican Leader
Honorable Chad Mayes, Assembly Republican Leader
San Bernardino County Legislative Delegation